

5.4 INDUCED SOCIOECONOMIC IMPACTS

5.4.1 Background

In addition to the quantifiable direct socio-economic impacts discussed in this section, induced socioeconomic impacts have been considered.

5.4.2 Methodology

In accordance with the FAA Order 5050.4, *Airport Environmental Handbook*, the following indirect socioeconomic impacts have been considered:

- Induced Economic Impacts of Airport Operations
- Induced Population Movement, Growth, and Community Development Impacts
- Induced Community Cohesion Impacts

5.4.3 Existing Conditions – 2000

The baseline conditions of the year 2000 were used as a basis for comparison.

5.4.4 Future Conditions –2007

5.4.4.1 Induced Economic Impact of Permanent Operations

No Action

As no construction activities would occur under the No Action condition, no induced economic impacts of construction will be generated.

Future Build Condition

In addition to the incremental indirect and induced economic benefits mentioned earlier in this chapter, there is a less tangible induced economic benefit that could provide an additional increase in local economic activity upon implementation of the Proposed Action. Airport improvements to the area surrounding the airport increase attractiveness and competitiveness to airport-related industries and have the potential to generate additional induced development. This effect is not traditionally captured by standard regional economic models based on the Input/Output framework. A segment of aviation-related and/or aviation-dependent businesses will site their businesses in close proximity to the airport (e.g., rental cars, hotels/motels, freight forwarders, park and fly, caterers, fixed base operations, just-in-time warehousing, etc.) once the number of aircraft operations reaches a critical volume specific to that airport. The Proposed Action is not expected to significantly increase such airport-related activity in comparison with the base year, under the FAA Low Case forecast for 2007. However, as stated previously, in the absence of the Proposed Action, the base year volumes of aircraft operations could not be

supported, and the viability of existing ancillary airport-related industry would be compromised. Existing industries such as car hire companies and corporate office leasing would experience significantly reduced patronage.

In addition, any investment made to increase the capacity of the airport and meet future FAA safety guidelines will maintain the viability of the airport to meet future airport demand not considered in the Purpose and Need for the Proposed Action. As stated in Chapter 2, Purpose and Need, of this EIS, major infrastructure investments require long lead times, yet immediate responses are required once demand exceeds capacity. The Proposed Action will maintain Gary/Chicago International Airport's current regional significance, preserving the potential to increase the scope and volume of air service in the future.

5.4.4.2 Induced Population Movement, Growth and Community Development Impacts

No Action

The No Action Alternative would not result in any direct displacements of residences or businesses within the study area, as no induced impacts to population movement, growth and community development would occur.

Future Build Condition

The impacts on population movement, growth and community development will be minimal since the growth in enplanements for the proposed project is low and the noise contours have been reduced. There may be slight population growth in neighborhoods surrounding the airport due to the increase in jobs at the airport site. The vacancy rates within these areas are significant enough to absorb the growth in residents.

5.4.5 Summary of Findings

There are no significant induced socioeconomic impacts resulting from the Proposed Action.

5.4.6 Mitigation

No mitigation measures are required.